

inserting the following: "), except that no such payment or reimbursement shall exceed the applicable local market rate:

(9)(A) by striking subparagraphs (K) and (L) and inserting the following:

"(K) LIMITATION ON FUNDING.—

Notwithstanding any other provision of this paragraph, the amount of funds a State agency uses to carry out this paragraph (including funds used to carry out subparagraph (I)) for participants who are receiving benefits under a State program under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) shall not exceed the amount of funds the State agency used in fiscal year 1995 to carry out this paragraph for participants who were receiving benefits in fiscal year 1995 under a State program funded under part A of title IV of the Act (42 U.S.C. 601 et seq.).": and

(B) by redesignating subparagraphs (M) and (N) as subparagraphs (I.) and (M), respectively: and

(10) in subparagraph (L), as so redesignated—

(A) by striking "(I)(i) The Secretary" and inserting

"(L) The Secretary": and

(B) by striking clause (ii).

(b) FUNDING.—Section 16(h) of the Food Stamp Act of 1977 (7 U.S.C. 2025(h)) is amended by striking "(h)(1)(A) The Secretary" and all that follows through the end of paragraph (1) and inserting the following:

"(h) FUNDING OF EMPLOYMENT AND TRAINING PROGRAMS.—

"(1) IN GENERAL.—

"(A) AMOUNTS.—To carry out employment and training programs, the Secretary shall reserve for allocation to State agencies from funds made available for each fiscal year

under section 18(a)(1) the amount of—

"(i) for fiscal year 1996, \$75,000,000;

"(ii) for fiscal year 1997, \$79,000,000;

"(iii) for fiscal year 1998, \$81,000,000;

"(iv) for fiscal year 1999, \$84,000,000;

"(v) for fiscal year 2000, \$86,000,000;

"(vi) for fiscal year 2001, \$88,000,000; and

"(vii) for fiscal year 2002, \$90,000,000.

"(B) ALLOCATION.—The Secretary shall allocate the amounts reserved under subparagraph (A) among the State

agencies using a reasonable formula (as determined by the Secretary) that gives consideration to the population in each State affected by section 6(0).

"(C) REALLOCATION.—

"(i) NOTIFICATION.—A State agency shall promptly notify the Secretary if the State agency

determines
that the State agency will not expend all of
the funds
allocated to the State agency under
subparagraph (B).

"(ii) REALLOCATION.—On notification under
clause

(i), the Secretary shall reallocate the
funds that the
State agency will not expend as the
Secretary considers
appropriate and equitable.

"(D) MINIMUM ALLOCATION.

Notwithstanding sub-
paragraphs (A) through (C), the Secretary
shall ensure
that each State agency operating an
employment and train-